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SYLLABUS

Business 166 BUSINESS, GOVERNMENT, AND SOCIETY Fall 2016

Business corporations have complex relationships with many individuals and organizations in society. Stakeholders are all individuals or groups that affect, or are affected by, the actions of the firm. How businesses manage their interactions with stakeholders and with government powerfully contributes to their success or failure. Building positive and mutually beneficial relationships across organizational boundaries is a growing part of management's role. In a world of faced-paced globalization, shifting public expectations and government policies, growing ecological concerns, and new technologies, managers face the difficult challenge of achieving economic results while simultaneously creating value for all of their diverse stakeholders.

Learning Objectives

The course focuses on these key learning objectives:

- Examining the purpose of the modern corporation.
- Understanding the relationships among business, government, and society, and the way they are part of an interactive system.
- Identifying different stakeholders of business—including shareholders, communities, customers, employees, and suppliers—and understanding both their rights and obligations.
- Analyzing the respective roles of managers, boards of directors, government regulators and policymakers, and non-governmental organizations in assuring that corporations act ethically and responsibly.
- Applying concepts learned in the course to complex, contemporary cases and drawing conclusions for managerial decision-making.

Analysis of cases, many drawn from current events, will form an integral part of the course material throughout the semester. Cases we will discuss this semester include ones on Uber, Coca-Cola, Gravity Payments, Moody's, Merck, Johnson & Johnson, Fairchild Semiconductor, Fidelity, Apple, Chipotle, Lumber Liquidators, Whole Foods, Intel, Target, H&M, Loblaw, and The Gap.

LOCATION AND TIME: Section 1 will meet Tuesdays and Thursdays 1:30 – 2:45 p.m. in BBC 021. Section 2 will meet Tuesdays and Thursdays 12:00 – 1:15 p.m. in BBC 021.

UNITS: This course carries three units. Business 166 is required for the Management Concentration.

ENROLLMENT: The “cap” for this course is 45 students.

PREREQUISITES: Business 100W is a prerequisite for this course.

Required Course Materials

TEXTBOOK: The required textbook is Anne T. Lawrence and James Weber, *Business and Society, 15/e* (McGraw-Hill, 2017) (print ISBN 9781259315411,125931541X; eText ISBN 9781259737176,1259737179). The textbook is available to purchase or rent in both print and digital versions from the Spartan Bookstore and from various online vendors, including www.amazon.com, www.chegg.com, and www.vitalsource.com. Although prices vary, the lowest cost options are generally the electronic book (around \$150) or a rental (around \$180).

Please note: Whatever format or vendor you select, please be sure to purchase the 15th edition and not the 14th or earlier editions, as the material and cases have changed.

Academic Integrity

Your own commitment to learning, as evidenced by your enrollment at San José State University, and the University’s Academic Integrity Policy require you to be honest in all your academic course work. Faculty members are required to report all infractions to the Office of Student Conduct and Ethical Development. The policy on academic integrity may be found at http://sa.sjsu.student_conduct. University policy will be strictly enforced.

Other Course Requirements

“TOP OF THE HOUR”: Several minutes at the beginning of each class session will be reserved for students or the instructor to share current events that relate to the content of the course. Students are encouraged to bring in news articles or other materials to share.

ONLINE QUIZZES: Before most class periods, you will be required to answer six multiple choice questions on your reading. These open-book quizzes may be completed at any time *up to half an hour prior to the start of class*. A schedule of assignments will be posted to Canvas. The quizzes should be completed on the Canvas site. There will be 16 quizzes. The first one will be for practice only and will not count towards your grade.

USAGE OF INTERNET-ENABLED DEVICES: *No laptops, tablets, smartphones, or other Internet-enabled devices may be used in class, unless explicitly permitted by the instructor.* All slides will be posted to Canvas immediately after each class, so there is no need to transcribe material from the slides. If you wish to take notes during class, you should use the old-

fashioned method: pen and paper. Violators will be asked to leave class. If a student has a personal emergency, he or she should leave the classroom to deal with it.

EXAMINATIONS: There will be two midterm examinations, given in class on October 11 and November 17. The take-home final examination will be due electronically (via Canvas) no later than the dates and times shown at the end of this syllabus.

TEAM PRESENTATIONS: Teams comprised of four to five students will be required to two short (5-10 minute) presentations to the class during the final “special topic” section of the course. Further instructions will be given in class.

OTHER EXPECTATIONS: Students are expected to attend class regularly, participate in class discussions, and complete the reading before the class for which it is assigned.

GRADING: Grades will be computed on the basis of total points earned, as follows (for a total of 300 points):

- Midterm #1 - 75 points
- Midterm #2 - 75 points
- Team Presentations - 30 points
- Final Take-home Exam - 50 points
- Homework Quizzes - 45 points (15 @ 3 points each)
- Individual class participation - 25 points

Up to 5 bonus points may be awarded at the instructor’s discretion for overall excellence.

The following grading scheme will be used (with appropriate adjustments for pluses and minuses):

- A 90 – 100 %
- B 80 – 89 %
- C 70 – 79 %
- D 60 – 69 %
- F Below 60 %

Schedule of Class Meetings and Assignments

The abbreviation TEXTBOOK refers to Lawrence and Weber, *Business and Society, 15/e*. All readings are required and should be completed *before* the class session for which they are assigned.

1. August 25: Class Organization and Introduction

Please read the entire syllabus, which is posted on Canvas.

Part I: The Corporation in Society

2. August 30: Business and Its Stakeholders

TEXTBOOK, Chapter 1, *pages 2-10*

3. September 1: Stakeholder Analysis, Mapping, and Engagement

TEXTBOOK, Chapter 1, *pages 10-22*

TEXTBOOK, Chapter 2, *pages 36-41*

DISCUSSION CASE, "Insuring Uber's App-On Gap," *pages 22-23*

Video: "Questions of Responsibility at Uber"

4. September 6: Managing Public Issues

TEXTBOOK, Chapter 2, *pages 24-36*

DISCUSSION CASE, "Coca-Cola's Water Neutrality Initiative," *pages 43-44*

Video: "Coca Cola, Indian Farmers Compete for Water Supply"

5. September 8: Corporate Social Responsibility

TEXTBOOK, Chapter 3, *pages 45-58*

DISCUSSION CASE, "Corporate Social Responsibility at Gravity Payments," *pages 67-68*

Videos: "New Minimum Wage" and "Love Letters to the Boss"

6. September 13: Assessing and Reporting Social Performance

TEXTBOOK, Chapter 3, *pages 58-66*

Please bring a laptop or other device to class that you can use to access the Internet. We will work on materials available on the website www.csrwire.com.

7. September 15: Global Collaborative Partnerships

TEXTBOOK, Chapter 4, *pages 70-73, 76-79, and 85-87*
DISCUSSION CASE, "Intel and Conflict Minerals," *pages 88-89*

Video: "How to Avoid Conflict Minerals"

Part II: Government Regulation, Public Policy, and Political Influence

8. September 20: Government Regulation of Business

TEXTBOOK, Chapter 7, *pages 134-154*
DISCUSSION CASE, "Should E-Cigarettes Be Regulated," *pages 154-156*

Video: "E-Cigarettes Become Regulated by the FDA"

9. September 22: Day Off

The instructor will take a personal day off to attend her daughter's wedding. No readings assigned.

10. September 27: Case: Merck, the FDA, and Vioxx

CASE, "Merck, the FDA, and Vioxx" (case will be posted to Canvas)

Video: "Bad Medicine"

11. September 29: Political Influence by Business

TEXTBOOK, Chapter 8, *pages 157-178*

Video: "The Story of Citizens United v. FEC"

Please note: The online quiz refers to the reading, not to a specific case.

12. October 4: Moody's Credit Ratings

TEXTBOOK, "Moody's Credit Ratings and the Subprime Mortgage Meltdown," *pages 500-511*

Video: "The Crisis of Credit Visualized"

A study guide for the first midterm will be distributed.

13. October 6: Makeup/Study Day

No new reading assigned. Please prepare for the midterm examination.

14. October 11: MIDTERM EXAMINATION #1 covering all lecture material and assignments for sessions 1-12.

15. October 13: Review of Exam; Introduction to Next Section

Part III: Building Relationships with Stakeholders

16. October 18: Shareholders' Rights and Corporate Governance

TEXTBOOK, Chapter 13, *pages 278-287*

DISCUSSION CASE: "Whole Foods Adopts Egalitarian Compensation Policies—But Fights Back on Board Elections," *pages 299-301*

17. October 20: Insider Trading; Executive Compensation

TEXTBOOK, Chapter 13, *pages 287-299*

Video: "Why Whole Foods Restricts Executive Pay"

Please note: The online quiz refers to the reading, not to a specific case.

18. October 25: Consumer Protection

TEXTBOOK, Chapter 14, *pages 302-314 and 318-322*

DISCUSSION CASE, "How Safe Is Your Personal Information," *pages 252-255*

Video: "New Chip Credit Cards: 3 Ways They Affect Consumers"

19. October 27: Product Liability

TEXTBOOK, Chapter 14, *pages 315-318*

DISCUSSION CASE, "Lumber Liquidators' Laminate Flooring," *pages 322-324*

Videos: "Hot Coffee" [excerpts] and "Lumber Liquidators" (60 Minutes)

20. November 1: Employees and the Corporation; Introduction to Team Assignment

TEXTBOOK, Chapter 15, *pages 325-344*

DISCUSSION CASE, "The Ugly Side of Beautiful Nails," *pages 344-346*

The instructor will distribute instructions for the team assignment and will assign students to teams.

21. November 3: Managing a Diverse Workforce

TEXTBOOK, Chapter 16, "Managing a Diverse Workforce," *pages 347-368*

DISCUSSION CASE, "Unauthorized Immigrant Workers at Chipotle Mexican Grill Restaurants," *pages 368-370*

22. November 8: Business and Its Suppliers

TEXTBOOK, Chapter 17, "Business and Its Suppliers," *pages 371-391*

DISCUSSION CASE, "Apple's Supplier Code of Conduct and Foxconn's Chinese Factories," *pages 392-393*

Video: "Apple Supplier Foxconn Pledges Better Working Conditions, But Will It Deliver?"

THIS IS ELECTION DAY. PLEASE VOTE!

23. November 10: Community Relations and Corporate Philanthropy

TEXTBOOK, Chapter 18, *pages 394-413*

TEXTBOOK, "Fidelity Investments' Partnership with Citizen Schools," *pages 414-415*

Video: "Roy Fralin"

A study guide for the second midterm will be distributed.

24. November 15: Makeup/Study Day

No new reading assigned. Please prepare for the midterm examination.

25. November 17: Midterm Exam #2 covering all lecture material and assignments for sessions 16 - 23

26. November 22: Review of Exam; Team Meetings

We will review the midterm. Student teams will have an opportunity to caucus in class in their teams. I recommend that you begin reading the case assigned for November 29.

Please note that Thursday, November 24 is the Thanksgiving holiday. No class will be held.

Part IV: Special Topic: Labor Conditions in the Global Garment Industry

The final segment of the class will be an in-depth examination of labor conditions in the garment industry in Bangladesh. We will study recent fires and building collapses that killed and injured hundreds of workers, and examine efforts by international companies, suppliers, governments, nongovernmental organizations, and labor activists to address the root causes of these disasters. Student teams will study and report on the perspectives of various stakeholders and evaluate proposals for action. Further instructions will be distributed in class and posted to Canvas.

27. November 29: Labor Conditions in the Global Garment Industry: Bangladesh

CASE, "After Rana Plaza," *pages 440-450*

28. December 1: Team Reports: Stakeholders and Governments

29. December 6: Team Reports: Companies

30. December 8: Discussion of Possible Solutions and Course Wrap-Up

Final Exam:

The take-home final essay will be due electronically (on Canvas) at the following times:

12:00 section: Monday, December 19 at 12 p.m.

1:30 section: Friday, December 16 at 2:30 p.m.

Please note that you may turn in your take-home final essay at any time after the last class meeting. You will have then completed your work for the class.